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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

Intel Corporation,

Plaintiff,

vs.

Nexus Display Technologies LLC,

Defendant.

Case No. 2:15-cv-2142

**INTEL CORPORATION'S
COMPLAINT FOR
DECLARATORY JUDGMENT**

Demand for Jury Trial

1 Plaintiff Intel Corporation (“Intel”) hereby submits its complaint against
2 Defendant Nexus Display Technologies LLC (“Nexus”). Intel states as follows:

3 **THE PARTIES**

- 4 1. Intel is a Delaware corporation with its principal place of business at
5 2200 Mission College Blvd., Santa Clara, California 95054.
- 6 2. Nexus is a Texas limited liability company with its principal place of
7 business at 2400 Dallas Parkway, Suite 200, Plano, Texas 75093.
- 8 3. On information and belief, Nexus is the assignee of certain patents
9 previously assigned to Silicon Image, Inc. (“Silicon Image”),
10 including at least United States Patent Nos. 7,295,578 (the “’578
11 Patent”), 5,835,498 (the “’498 Patent”) and 7,143,328 (the “’328
12 Patent”).

13 **NATURE OF THE ACTION**

- 14 4. This is a civil action seeking a declaratory judgment that Intel has a
15 license to certain patents previously held by Silicon Image (the
16 “Licensed Patents”), including at least the ’578, ’498 and ’328 Patents,
17 that Intel’s license authorizes the sale of Intel’s products to its
18 customers, and that Intel’s license bars any assertion by Nexus of the
19 Licensed Patents against Intel and components that Intel supplies to its
20 customers.

21 **JURISDICTION AND VENUE**

- 22 5. Intel brings this Complaint pursuant to the Federal Declaratory
23 Judgment Act, 28 U.S.C. §§ 2201-2202, seeking a declaration of the
24 rights and/or other legal relations of the parties to this litigation with
25 respect to an actual controversy arising under the patent laws of the
26 United States, 35 U.S.C. § 1 *et seq*, and/or the laws of the state of
27 California, which govern the Patent License Agreement dated
28

September 16, 1998 between Intel and Silicon Image (“License Agreement”). This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338, 2201, and 2202.

6. Venue is proper in this district pursuant to 28 U.S.C. § 1391(a), (b), and (c).

7. This Court has personal jurisdiction over Nexus because Nexus has asserted the ’578, ’498 and ’328 patents in four actions commenced in this district on July 17, 2014. Upon information and belief, Nexus has entered into a settlement agreement with at least one of those defendants, Sony Electronics, Inc., and settled the action in this district. This Court also has personal jurisdiction over Nexus because all disputes regarding the License Agreement are subject to the jurisdiction of the Federal courts sitting in California. *See* Exhibit A, Section 6.9 (redacted version of License Agreement publicly filed with the SEC). Nexus is the assignee of at least the ’578, ’498 and ’328 patents covered by the License Agreement.

NEXUS’S PATENT LITIGATIONS

8. On July 17, 2014, Nexus filed 4 complaints in this district accusing ViewSonic Corp., Sony Electronics Inc., LG Electronics, Inc., BenQ America Corp. and BenQ Corp. of manufacture, use, sale, importation and/or offer for sale of products and/or methods that allegedly infringe certain Licensed Patents, such as the ’578, ’498 and ’328 Patents. *See* Complaint, 14-cv-5691-JVS-DFM (C.D. Cal. July 17, 2014), ECF No. 1; Complaint, 14-cv-5693-JVS-DFM (C.D. Cal. July 17, 2014), ECF No. 1; Complaint, 14-cv-5694-JVS-DFM (C.D. Cal. July 17, 2014), ECF No. 1; Complaint, 14-cv-1118-JVS-DFM (C.D. Cal. July 17,

2014), ECF No. 1. On March 9, 2015, the Court entered a joint stipulation dismissing the action against Sony Electronics, Inc. 14-cv-5693-JVS-DFM, ECF No. 57.

9. On July 11, 2014, Nexus filed a complaint in the Eastern District of Texas accusing Dell Inc. (“Dell”), an Intel customer, of the manufacture, use, sale, importation and/or offer for sale of products that allegedly infringe certain Licensed Patents, such as the ’578, ’498 and ’328 Patents. *See* Complaint, 14-cv-762-RWS (E.D. Tx. July 11, 2014), ECF No. 1.
10. That same day, Nexus also filed 4 complaints in the Eastern District of Texas accusing Lenovo (United States) Inc., Panasonic Corporation of North America, Eizo Corp. and NEC Corp. of manufacture, use, sale, importation and/or offer for sale of products and/or methods that allegedly infringe certain Licensed Patents, such as the ’578, ’498, and ’328 Patents. *See* Complaint, 14-cv-763-RWS (E.D. Tx. July 11, 2014), ECF No. 1; Complaint, 14-cv-764-RWS (E.D. Tx. July 11, 2014), ECF No. 1; Complaint, 14-cv-765-RWS (E.D. Tx. July 11, 2014), ECF No. 1; Complaint, 14-cv-766-RWS (E.D. Tx. July 11, 2014), ECF No. 1.

NEXUS’S INFRINGEMENT ALLEGATIONS

11. Upon information and belief, Nexus’s infringement allegations are directed to certain aspects of a display interface standard known as DisplayPort. *See* Joint Rule 26(f) Report at 6, 14-cv-5694-JVS-DFM (C.D. Cal. July 17, 2014), ECF No. 37; Defendant Dell Inc.’s Motion to Transfer at 6-7, 14-cv-762-RWS (E.D. Tx. Jan. 22, 2015), ECF No. 64 (“Nexus Display alleges that Dell’s products infringe the Asserted

Patents because Dell’s accused products ‘comply with the DisplayPort standard.’”). DisplayPort was developed by the Video Electronics Standards Association (“VESA”) as a digital interface to connect a video source to a display device such as a monitor. *See, e.g.,* Defendant Dell Inc.’s Motion to Transfer at 16, 14-cv-762-RWS (E.D. Tx. Jan. 22, 2015), ECF No. 64 (“Plaintiff’s only basis for infringement is the compliance of these components with the DisplayPort standard. That standard was developed and is maintained by VESA”).

12. With respect to certain claims of the ’578, ’498 and ’328 Patents, Intel sells products that comply with the portions of the DisplayPort standard accused by Nexus, and Intel’s customers, including Dell, purchase such Intel products and include them in their own products, such as personal computers.
13. Upon information and belief, Nexus has alleged that Dell infringes the ’578, ’498 and ’328 Patents because certain Dell products comply with the DisplayPort standard (“Dell Accused Products”).
14. The portions of the DisplayPort standard accused of infringing certain claims of the ’578, ’498 and ’328 Patents are implemented by Dell in some Dell Accused Products using components supplied by Intel, such as Intel processors. *See, e.g.,* Defendant Dell Inc.’s Motion to Transfer at 9, 14-cv-762-RWS (E.D. Tx. Jan. 22, 2015), ECF No. 64 (Dell states that accused functionality is contained in third party components that are installed into Dell’s accused products).
15. More particularly, Dell has stated that “Nexus Display alleges that Dell practices Nexus Display’s patented methods and systems for transmitting video data over serialized connections. Dell, however,

1 does not design or manufacture these accused methods and systems.
 2 Instead, the transmission of video [data] over serialized connections is
 3 accomplished through graphics and video components which Dell
 4 purchases from companies such as Intel Corp., NVIDIA Corp., and
 5 AMD, Inc., amongst others.” *See* Defendant Dell Inc.’s Motion to
 6 Transfer at 5, 14-cv-762-RWS (E.D. Tx. Jan. 22, 2015), ECF No. 64.

7 16. Upon information and belief, Nexus is also likely to allege that other
 8 Intel customers infringe certain claims of three of the Licensed Patents,
 9 namely, the ’578, ’498 and ’328 Patents, at least in part because the
 10 customers’ products include Intel components, such as processors,
 11 that comply with the accused portions of the DisplayPort standard.
 12 For example, Lenovo also has stated that “[t]he most relevant
 13 evidence regarding the design, development, and operation of the
 14 Accused Products will come from the DisplayPort Suppliers including
 15 Intel, AMD, and NVIDIA. . . . Nexus’s infringement allegations focus
 16 on the operation of the Accused Products’ processors, chipsets, and
 17 operating system all of which are provided by these third-party
 18 suppliers.” *See* Defendant Lenovo (United States) Inc.’s Motion to
 19 Transfer at 12, 14-cv-763-RWS (E.D. Tx. July 11, 2014), ECF No. 21.

20 17. Upon information and belief, Intel components that comply with
 21 accused portions of the DisplayPort standard in the Dell Accused
 22 Products include Intel® Core™ i3 (I3-4005U, I3-4010U, I3-4020Y,
 23 I3-4130, I3-4130T, I3-4150, I3-4150T, I3-4160, I3-5005U, I3-5010U);
 24 Intel® Core™ i5 (I5-4200U, I5-4200H, I5-4200M, I5-4210M, I5-
 25 4300U, I5-4310M, I5-4310U, I5-4430, I5-4340M, I5-4440, I5-4460,
 26 I5-4570, I5-4570S, I5-4590, I5-4590S, I5-4590T, I5-4690, I5-5200U);
 27 Intel® Core™ i7 (I7-4600U, I7-4610M, I7-4650U, I7-4710HQ, I7-
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4710MQ, I7-4712HQ, I7-4765T, I7-4770, I7-4770S, I7-4785T, I7-4790, I7-4790K, I7-4790S, I7-4810MQ, I7-4910MQ, I7-4940MX, I7-4980HQ, I7-5500U, I7-5600U); Intel® Celeron® (G1840); Intel® Pentium® (G3240, G3240T); Intel® Core™ M (5Y10, 5Y10C, 5Y70, 5Y71).

18. Dell has requested that Intel indemnify it against Nexus's allegations that Dell infringes the '578, '498 and '328 Patents. Intel has agreed to indemnify Dell with respect to Nexus's infringement allegations as to certain claims of the '578, '498 and '328 Patents because Nexus's allegations as to those claims accuse Intel components.

INTEL IS LICENSED TO PRACTICE THE LICENSED PATENTS

19. Pursuant to the License Agreement, Intel is licensed to practice the Licensed Patents, including the '578, '498 and '328 Patents.
20. The License Agreement grants to Intel a license to "make, have made (subject to Section 3.3 below), use, and import, and directly or indirectly sell, offer to sell and otherwise dispose of Intel Licensed Products." *See* Exhibit A, Section 3.1.1 (redacted version of License Agreement publicly filed with the SEC).
21. The License Agreement states that "all disputes and litigation regarding this Agreement and matters connected with its performance shall be subject to the jurisdiction of the courts of the States of California and Oregon or of the Federal courts sitting therein." *See* Exhibit A, Section 6.9.
22. Nexus, however, has asserted certain Licensed Patents such as the '578, '498 and '328 Patents against at least one Intel customer (Dell), based, in part, on the allegation that Intel components in the

customer's products infringe the Licensed Patents. The accused Intel components constitute Intel Licensed Products under the License Agreement.

23. Thus, Nexus's litigation against Dell has created an actual controversy between Intel and Nexus regarding the rights of Intel and its customers to use technology claimed in the Licensed Patents.

24. Indeed, Nexus's campaign of litigation against Dell and other entities in the field has created a reasonable apprehension that Nexus will accuse Intel and/or additional Intel customers of infringing the same or other Licensed Patents, including the '578, '498 and '328 Patents.

25. Intel therefore seeks a declaratory judgment that Intel is licensed to practice the Licensed Patents, that Intel's license authorizes the sale of Intel's products to its customers, including Dell, and that the License Agreement bars Nexus's claims of infringement with respect to the Licensed Patents, including the '578, '498 and '328 Patents, against Intel, Intel products, and Intel components in products sold by Intel's customers, including the Intel components in the Dell Accused Products.

COUNT I

(Declaratory Judgment Regarding the License Agreement)

26. Intel repeats and re-alleges all of the allegations in all of the paragraphs above, as if set forth fully herein.

27. Intel is licensed to practice the technology claimed in the Licensed Patents.

28. There is an actual controversy between Intel and Nexus regarding Intel's license to the Licensed Patents.

1 29. A judicial declaration concerning Intel's license to the Licensed
 2 Patents is necessary and appropriate at this time so that Intel can
 3 ascertain its rights and duties with respect to its customers and with
 4 regard to designing, developing, manufacturing, marketing and selling
 5 products that Nexus alleges incorporate technology of the Licensed
 6 Patents.

7 30. Intel seeks a declaratory judgment that Intel is licensed to practice the
 8 Licensed Patents, that Intel's license authorizes the sale of Intel's
 9 products to its customers, including Dell, and that the License
 10 Agreement bars any Nexus claims of infringement with respect to the
 11 Licensed Patents, including the '578, '498 and '328 Patents, against
 12 Intel, Intel products, and Intel components in products sold by Intel's
 13 customers, including the Intel components in the Dell Accused
 14 Products.

15 **PRAYER FOR RELIEF**

16 Wherefore, Intel respectfully seeks the following relief:

- 17 1. For a declaration that Intel is licensed to practice the Licensed
 18 Patents, including the '578, '498 and '328 Patents, that Intel's
 19 license authorizes the sale of Intel's products to its customers,
 20 including Dell, and that the License Agreement bars Nexus's
 21 claims of infringement with respect to the Licensed Patents,
 22 including the '578, '498 and '328 Patents, against Intel, Intel
 23 products, and Intel components in products sold by Intel's
 24 customers, including the Intel components in the Dell Accused
 25 Products;
- 26 2. For a declaration that Intel's license bars any assertion of the Licensed
 27 Patents against Intel, Intel's products and/or Intel components in
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1 products sold by Intel's customers, including the Intel components in
2 the Dell Accused Products;

3 3. For a determination that Intel is entitled to its attorneys' fees, costs
4 and expenses in connection with this action; and

5 4. Such other and further equitable or legal relief as the Court deems just
6 and proper.

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8 **JURY TRIAL DEMAND**

9 Intel hereby demands a jury trial as to all issues triable to a jury.
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1 Dated: March 23, 2015

WILMER CUTLER PICKERING HALE AND
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